

# STATE OF ALASKA

## DEPT. OF ENVIRONMENTAL CONSERVATION DIVISION OF WATER MUNICIPAL GRANTS & LOANS

*Sarah Palin, GOVERNOR*

555 Cordova  
Anchorage, Alaska 99501  
PHONE: (907) 269-7616  
FAX: (907) 269-7509  
<http://www.state.ak.us/DEC/>

June 5, 2009

Dear Alaskan:

This letter is being sent to you on announcing ADEC's second public notice of the State Fiscal Year (SFY) 2010 Alaska Clean Water Fund and Alaska Drinking Water Fund Intended Use Plans (IUP). The response to our first public notice necessitated that both IUPs be amended to accommodate comments received and to update program requirements. This public comment period follows an accelerated time period of ten days. This abbreviated public comment period is being taken so that the IUPs can be finalized and meet strict time requirements associated with the American Recovery and Reinvestment Act of 2009 (ARRA). Primary changes to the IUP documents are as follows:

- The project lists for each IUP were revised as follows:
  - Group 1 priority projects, which were to have a complete application in by May 17, 2009, have a final listing update.
  - Group 2 listed projects were broken into two groups, one for priority listed projects, and the second for priority planning listed projects. This was done to provide a clear list of potential priority projects that may receive ARRA funding. Project listed on the priority planning list may receive ARRA funding if funds are not fully utilized by priority listed projects.
  - Group 1 and Group 2 listed projects that show no available funding due to other higher ranked projects for the community/system receiving maximum allowed ARRA funding were moved to Group 3 lists in order of ranking.
  - Both Group 1 and 2 green project percentages were updated to best reflect what portion or component of the project would qualify for green under current federal ARRA guidance.
  - Some project changes were made under all three Groups and can be noted in the public comment section of each IUP.
- IUP narrative was updated to reflect the following changes:
  - The 4% Administrative Set-Aside for both IUP's was increased to the maximum amount allowable for meeting ADEC's project oversight needs.
  - The \$2.0 Million reserve amount under each IUP was removed. The reserve was no longer found necessary after updating project information.
  - By-pass procedures for both IUP's were updated. Group 2 project priority listed projects will have up to three months to come in with a complete application for their project(s) to ensure ARRA funding will be available. After three months, if funds are still available, any Group 2 priority planning project will be allowed to submit a complete application for any remaining available ARRA funds. If after four months, and funds are still not fully committed, any Group 3 ARRA eligible project will be allowed to

- submit an application. In addition, a Group 2 priority planning project will be allowed to go through a formal by-pass process if desired during the initial three month period.
- Green project component subsidy eligibility has been clarified for projects with a total project costs exceeding the \$2.0 maximum ARRA subsidy availability amount. If a project maximizes the total allowable ARRA funding amount of \$2.5 Million, a subsidy amount up to \$2.5 Million will be allowed for projects with green eligible component up to 100% of the overall project amount.

Enclosed for your review are updated project lists for each loan program. Information regarding ARRA requirements can be accessed through the following web link:

<http://www.dec.state.ak.us/water/muniloan/StimulusCapitalization.htm>

Please take this opportunity to provide input on the [amended](#) IUP for either loan program. Comments must be received by June 18, 2009.

Any comments regarding this unique funding opportunity as well as ways in which we can improve the funding process are welcome. Comments can be sent to either the following mailing address or email address:

Mike Lewis  
Dept. of Environmental Conservation  
Division of Water  
555 Cordova Street  
Anchorage, AK 99501  
Telephone: (907) 269-7616  
Email: [Mike.Lewis@alaska.gov](mailto:Mike.Lewis@alaska.gov)

For full copies of the [amended](#) draft IUP, please call me, or refer to the internet at

[www.state.ak.us/dec/dfco/adwfdraftiup10.pdf](http://www.state.ak.us/dec/dfco/adwfdraftiup10.pdf) or,  
[www.state.ak.us/dec/dfco/acwfdraftiup10.pdf](http://www.state.ak.us/dec/dfco/acwfdraftiup10.pdf)

We look forward to hearing from you.

Sincerely,



Michael P. Lewis  
Program Manager

Enclosure: AMENDED DRAFT 2010 Alaska Clean Water Fund Intended Use Plan  
Funding List

AMENDED DRAFT 2010 Alaska Drinking Water Intended Use Plan  
Funding List